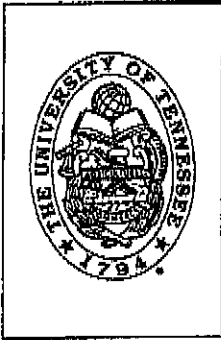


**CONTRACT #3**  
**RFS # N/A**  
**UT Tracking #92533**

**University of Tennessee**

**VENDOR:**  
**Parent-Child Services Group**



# THE UNIVERSITY OF TENNESSEE

Office of the Vice President for Administration and Finance

711 Andy Holt Tower

Knoxville, TN 37996-0174

Phone: 865-974-2243

Fax: 865-974-1324

## FAX

TO: <i>Ms. Lexi Chick</i>	FROM: <i>Sylvia Davis</i>
FAX #: <i>615-253-0318</i>	DATE:
PHONE:	PAGES: <i>10 (including cover)</i>
SUBJECT:	COPY:

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ FYI

☐ Original Will Be Mailed ☐ Original Will Not Be Mailed

• **COMMENTS:**

**THE UNIVERSITY of TENNESSEE****Vice President for Administration and Finance**

711 Andy Holt Tower  
Knoxville, TN 37996-0174  
Phone: (865) 974-2243  
Fax: (865) 974-1324

September 20, 2005

Mr. Jim White  
Executive Director  
Fiscal Review Committee  
8<sup>th</sup> Floor, Rachel Jackson Building  
Nashville, TN 37243

Dear Mr. White:

The University of Tennessee is submitting a non-competitively bid contract exceeding \$250,000 for review and comment in accordance with Public Chapter 413, Public Acts of 2003.

The Tennessee Department of Education (TDOE) contracted with the University of Tennessee, Knoxville to provide services for the Tennessee Early Intervention System (TEIS) for the period July 1, 2004 through June 30, 2005. The university serves as the East Tennessee district's Point of Entry (POE) for children and families into the service delivery system for the provision of early intervention services to infants and toddlers, age birth to three. In accordance with our contract with TDOE, the university subcontracted for the delivery of these services through all qualified providers in the area who agreed to our contractual terms. The payment rates for services were set by the TDOE.

One of the subcontractors providing services was the Parent-Child Services Group. The original contract for services was for expenditures not to exceed \$145,000. This contract was amended in February 2005 to increase the maximum liability to \$325,000. The increase was needed because of changes in service levels provided by two other major vendors in FY 2005: The Therapy Center discontinued their contract with TEIS and Rehab Specialties substantially limited the services they provided to this program.

The level of services required from the Parent-Child Services Group was underestimated in February 2005, which necessitated a second contractual amendment increasing the maximum liability from \$230,000 to \$325,000. Because the amended contract now exceeds \$250,000, the contract now meets the Fiscal Review Committee's contract review guidelines.

Mr. Jim White  
Page 2  
September 20, 2005

The documentation has previously been received by your office in August but due to additional charges, the amount of the contract increased and we requested the contract office to complete a new amendment and justification for submission. The enclosed should take the place of amendment number two and the associated justification. If you have questions or need additional information, please let me know.

Sincerely,



Sylvia Shannon Davis  
Vice President for Administration and Finance

c: John D. Petersen, President  
Loren Crabtree, University of Tennessee, Knoxville Chancellor  
Anthony Haynes, Director of State Relations

**THE UNIVERSITY OF TENNESSEE**  
**JUSTIFICATION FOR NON-COMPETITIVE PURCHASES AND CONTRACTS**  
**Values of \$50,000 or More**

Contract Tracking Number

92533

Requisition Number for Items Processed through Purchasing: \_\_\_\_\_

This form must be completed for all non-competitive purchases for goods or services that are secured either through a purchasing requisition or a contract for expenditures of \$50,000 or more. This form and any other documents that support the justification of a non-competitive purchase **must be approved in advance** of securing the goods or services. Approvals include the Department Head, Director of Purchasing, and the Chief Business Officer or their designees. The Chancellor or Vice President or designee must approve expenditures of \$100,000 or more. The Vice President for Administration and Finance, or designee, must approve expenditures of \$250,000 or more.

Non-competitive service contracts, including amendments that cumulatively exceed \$250,000 must be routed to the Tennessee Legislative Fiscal Review Committee for comment. The Fiscal Review Committee has 15 days from the receipt of the contract information for comments. A minimum of 30 days will be required to process service contracts exceeding \$250,000.

**Information Related to the Purchase of the Goods or Services****1. Type of Request:**

Non-Competitive Contract (Sole-Source) ☒  
Contract thru Purchasing ☐  
Requisition thru Purchasing ☐

**2. Prepared By:**

Name: Ray Hughes  
Email address: dhughes1@utk.edu  
Phone No: 865-974-8468

**3. Cost Center or WBS Element:**

Name: TDE-E TN Early Int-Nordquist05  
Number: R01-1710-004

**4. Proposed Contractor or Vendor:**

Name: Parent Child Services Group  
Address (Street): 1225 E Welsgarber Rd, Suite 180 S  
Address (City, State, and Zip Code): Knoxville, TN 37909

**5. Effective Date:**

Beginning Date	7/1/2004
Ending Date	6/30/2005

**6. Estimated Cost:**

\$325,000 (total value after amending from \$230,000)

**7. Source of Funds (e.g. state funds, federal funds, etc.):**

College of Education, Health and Human Sciences

**8. If this an amendment to an existing contract/purchase order?**

☒ Yes

☐ No

**9. If Yes,**

Number of Original Contract/Purchase Order	90783
Beginning Date of Original Contract/Purchase Order	7/1/2004
Amount of Original Contract/Purchase Order	230,000
Accumulated Cost with this amendment	325,000

**10. Describe the primary reason the University is entering into this contract/purchase**

The provider provides specialized pediatric services within a region of our district.

**11. Describe the goods or service to be acquired.**

The subcontracted provider would be providing our Tennessee's Early Intervention System (TEIS) children with Occupational, Speech, Physical Therapy and Evaluations needed to reach determined outcomes.

**12. Is there an urgent need or an emergency preventing competitive methods?**

☐ Yes

☐ No

☒ N/A

If yes, please explain:

13. Is there only one product or service that can meet the specific needs or must the product or service be provided by this particular source.

☐ Yes ☐ No ☒ N/A

If yes, please explain:

14. Does proposed contractor or vendor have experience providing same or similar goods or services?

☒ Yes ☐ No

15. Has the department ever purchased these same goods or services from this vendor?

☒ Yes ☐ No

If yes, what procurement method was used? (Ex. Competitive, Non-Competitive, etc.)

non competitive

16. If for services, was an effort made to use existing University employees to perform services?

☐ Yes ☒ No

If no, why not?

n/a

17. Is the contract for services from another governmental unit, such as a State or federal agency, or from another college or university?

☐ Yes ☒ No

### **Justification**

A complete justification must be provided to explain why the University should acquire the goods or services through non-competitive procurement request rather than through a competitive process. (Note: Being the "only known" or "best" is not deemed adequate justification.)

These services are provided for infants and toddlers, age's birth through 2 years, who qualify because of disabilities or significant developmental delays. These are, therefore, specialized services not available from every provider. Providers must meet specific qualifications, including training and pediatric experience requirements, which are outlined in our contract with TN Dept. of Education. We contract with all qualified providers who agree to the terms of our contract. For physical therapy services, for example, we have 25 providers with whom we contract. We welcome and seek out new, qualified providers in order to meet the needs of

the over 1,000 families we serve in our 16-county district.

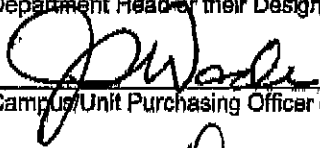
Part of our mandate by TN Dept. of Education and Federal legislation is to seek out and develop services for the families we serve. We are responsible to develop, and update annually, a Central Directory which lists all services available to this population in our 16-county district. This is given to every parent we serve, and is also distributed to agencies, medical care providers, and programs throughout our 16-county district.

In order to identify and recruit potential service providers, our staff work, and have many contacts in, each of these 16 counties. These county contacts include 16 Health Departments, 26 school systems, numerous physicians and other health professionals, 16 Dept. of Children's Services offices, and many other local and state agencies who serve children. Another way we seek out and identify potential providers is through Interagency Councils in these counties, which our 18 Service Coordinators participate in regularly.

We are mandated by TDOE to provide an "array of available services" to families, to offer them service options, and to consider the following components when selecting providers: "special skills, experience with this population, credentials, proximity to family." When the TEIS Service Coordinator meets with the family in their home to write the child's Service Plan, she/he offers them all available appropriate providers, and the family ultimately chooses their provider from all those available. We are "payer of last resort", therefore often secondary payer after private insurance. In those situations, the family must use a provider approved by their insurance company.

The maximum liability amount for this contract is estimated based on historical usage for these services. Our payment rates for services are set by Tennessee Department of Education, as outlined in our state contract



**Approvals****\$50,000 to \$100,000**  
\_\_\_\_\_  
Department Head or their Designee  
\_\_\_\_\_  
Date  
\_\_\_\_\_  
Campus/Unit Purchasing Officer or their Designee  
\_\_\_\_\_  
Date  
\_\_\_\_\_  
Chief Business Officer or their Designee  
\_\_\_\_\_  
Date**Additional Approval for \$100,000 or more**  
\_\_\_\_\_  
Vice President or Chancellor or their Designee  
\_\_\_\_\_  
Date**Additional Approval for \$250,000 or more**  
\_\_\_\_\_  
Vice President for Administration and Finance or Designee  
\_\_\_\_\_  
Date

**FY 2005 SUBCONTRACT AMENDMENT**

This amendment is to the subcontract between the University of Tennessee (hereinafter University), and Parent Child Services (hereinafter Subcontractor).

This Subcontract amendment consists of this cover page and no additional pages.

By mutual agreement, the University and the Subcontractor agree to the following amendment:

The maximum liability under this subcontract has been increased to \$325,000.

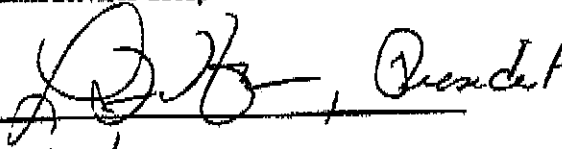
The schedule of fees section of the contract has not changed.

In witness of their acceptance of the terms of this agreement, the parties have had this Subcontract amendment executed by their duly authorized representatives.

**FOR SUBCONTRACTOR:****FOR UNIVERSITY:**

Parent-Child Services Group

X

 President

X

9/14/05

Date

RD1-1710-004

Responsible Account

1225 E. Weisgarber Road  
Suite 180 South  
Knoxville, TN 37909  
Phone: (865) 584-5558

62-1604659

Federal ID Number

Vice President or Authorized Designee

Date





Tennessee's Early Intervention System  
10521 Research Drive, Suite 100  
Knoxville, Tennessee 37932  
Phone (865) 974-2838  
(877) 416-2763  
Fax (865) 974-8473

## MEMORADUM

**To:** University of Tennessee Sub-contract Review Board

**From:** TEIS Project Coordinator, Linda Hartbarger

**Date:** August 2, 2005

**Subject:** Parent Child Services Amendment, FY 05

In regards to the needed FY 05 subcontract amendment justification for Parent Child Services, we submit the following reasons that lead to this request:

- In FY 05 one of TEIS's largest therapy providers, The Therapy Center, discontinued their contract with TEIS.
- In FY 05 another larger service provider, Rehab Specialties, began to substantially limit the amount of services that they would provide to TEIS families/children.
- Parent Child Services "filled the gap" for TEIS when the Therapy Center left and Rehab Specialties cut the amount of services delivered.

Due to these circumstances, it became necessary to increase the original FY 05 sub-contract amount with Parent Child Services. Therefore, we are requesting the approval of the Sub-contract Review Board for this amendment.

## Schedule of Fees

for

~~Blount Hearing and Speech~~

*Parent-Child Services Group, Inc. [Signature]*

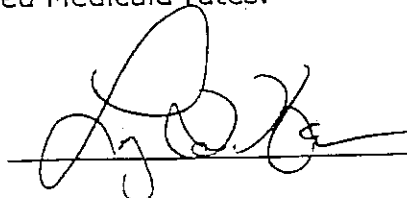
The University agrees to compensate the Contractor as follows:

Occupational Therapy Evaluation	\$60.00 per hour
Occupational Therapy	\$60.00 per hour
Physical Therapy Evaluation	\$60.00 per hour
Physical Therapy	\$60.00 per hour
PTA or COTA	\$28.00 per hour
Speech Therapy Evaluation	\$60.00 per hour
Speech Therapy	\$60.00 per hour
Consultation/IFSP attendance	\$18.00 per hour
No Shows (home/daycare)	\$18.00 each
Psychological Counseling	\$65.00 per hour
Multi-discipline evaluation	\$850.00 per eval
Family Training	\$40.00 per hour
Mileage	Per current state rate
Assistive Technology	** Not to exceed Medicaid rates.
Assistive Technology - processing fee	** Not to exceed \$10.00.

If the service is not covered by Private Insurance, by TennCare, by Children's Special Service's, or other payors, then the Contractor will receive payment from TEIS according to the rates set in this Schedule of Fee's. TEIS is Payor of Last Resort. The TEIS child's families *cannot* and *should not* be billed for any account balances as per the contract with the State of Tennessee mandates. If another source reimburses the stated rate or more per hour, TEIS pays no additional amount for the service. If another source makes partial payment, TEIS will pay the additional amount to total the above rates. If no other source will pay, TEIS will pay the full rate as stated above.

If the contractor is providing assistive technology equipment or devices, charges will not exceed Medicaid rates.

Signature



Date 6/15/04